IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.154 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.154 OF 2005

In the matter of
Companies Act, 1956

And

In the matter of
Reduction of Equity Share
Capital Account of
Concorde Motors Limited

Concorde Motors Ltd. .. Petitioner

Shri S.B.Jijina with Shri Samir Samant i/b. Mulla & Mulla & Craigie Blunt & Caroe for the petitioner

CORAM: S.U.KAMDAR, J
DATE : 1ST APRIL 2005

P.C.:

1. The present petition is filed for reduction of share capital. It is proposed that the share capital of the petitioner be reduced from Rs.24,35,00,000/- (Rupees Twenty Four Crores Thirty Five Lacs Only) divided into 2,43,50,000 Equity Shares of Rs.10/- each to Rs.50,00,000/- (Rupees Fifty Lacs Only) divided into 5,00,000 Equity Shares of Rs.10/- each, fully paid up and utilize an amount of Rs.23,85,000/- (Rupees Twenty Three

Crores Eighty Five Lacs only) out of the balance standing in the Share Capital Account of the Petitioner Company for adjusting the Debit Balance standing in the Profit & Loss Account as at February 1, 2005.

2. In para 14 of the petition, reasons are set out for the proposed reduction of capital that the company was required to take fair value of the assets in respect of expense base of the petitioner company. It is also provided that the company business is required to be restructured and accordingly the said adjustment was necessary. There were accumulated huge loss in the Profit & Loss Account which has been adjusted against the said capital. In para 17 of the petition it has been averred that the reduction of the share capital will not cause any prejudice to the creditors of the company and that it does not involve either the diminution of any liability in respect of unpaid capital. The said reduction is only by way of adjustment. By my order dt.11.3.05 petitioner company was directed to invite any objection from any of the creditors in respect of

such proposed scheme of reduction of share capital. Such an advertisement has been issued and affidavit of service dt.11.3.05 along with publication has been tendered. Inspite of the said advertisement no objection has been received. In view thereto petition is made absolute in terms of prayer clause (a) and (b).